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By John Laird

Next year's **state budget,** with no changes to current programs or revenues, will be $10 billion in the red, and similar shortfalls are projected for the following years.

Some elected officials responded to this news earlier this month with time-worn bromides. Others painted themselves into a political corner by taking hard-line positions on certain cuts or new taxes a full eight months before next year's budget votes.

But the chronic boom-and-bust budget cycle is rooted in a simple problem: Californians generally believe in government and want it adequately funded -- so much so that they repeatedly have voted for laws or constitutional amendments that lock in guaranteed spending for, say, education or transportation. At the same time, the state's revenue system is antiquated and volatile. It is heavily reliant on income taxes, for instance, and so the pains of an economic downturn have a magnified effect on state revenue.

The short-term solutions that get us through on a year-to-year basis all have been tried -- and tried. It's time for bipartisan hard work to bring **California's** long-term spending demands into balance with long-term revenues. It won't be easy, but the easy paths have been taken, and they've left the state awash in red ink.

When the **state budget** has taken a turn for the worse in the past, some legislators resisted common-sense solutions to increase revenue alongside prudent cuts. Instead, they called for only massive cuts to schools, healthcare programs, transportation, local governments and environmental programs. The public won't stand for such massive cuts. (Witness the governor's 20-point tumble in the polls when he proposed fiddling with education funding in 2005.) Yet the same public also does not support major increases in taxes.

So the pattern has been that Republicans agree to cuts proposed by Democrats but then leverage the requirement for a two-thirds vote on the budget to block any proposal that would increase revenue. And we end up with bad quick-fixes. The perfect example is the $15-billion bond issued in 2004 to cover the last major budget shortfall. Repayment on that debt now costs the budget $3 billion a year, a stark reminder of the price we pay for putting off the structural overhaul the budget system needs.

To start, Democrats and Republicans will have to take a hard look at the facts of the **state budget** -- facts that belie the oft-repeated accusation that we have a "spending problem" in Sacramento.

On paper, it may look like spending has increased in recent years, but that is largely driven by the expiration of earlier budget-balancing tricks -- such as temporarily shifting school funding to local governments, shifting costs to special funds and the multibillion-dollar temporary cut to education.

There really haven't been significant program spending increases, with three exceptions: public safety, the result of various court cases regarding our prison system and implementation of "Jessica's Law" to track sex offenders; debt service, primarily the annual $3-billion payment on the $15-billion deficit bond; and local government funding, a result of the vehicle license fee cut because billions from that fee used to go to cities and counties.

Other major areas of the budget have grown little if at all. Primary education is now budgeted at the constitutional minimum, which is nearly half the general fund. Higher-education funding grew to address increased enrollment, but that has been substantially offset by higher student fees. Funding for health services has gone up moderately to reflect increased caseloads, federal requirements and provider rate increases.

At the same time, the state has delayed or suspended cost-of-living increases for Social Security supplements and welfare. In general, we are spending less on public assistance: The number of people enrolled is down 50% in the last 10 years. Transportation, too, took a $1.3-billion hit in the 2007-08 budget.

Republicans or Democrats surely will not want to cut public safety funding, increase the car tax again, default on the deficit bonds or reduce education funding minimums. So clearly the budget cannot be balanced by simply eliminating our recent increases.

Instead, we need a bipartisan approach to next year's budget that will bring long-term spending and revenues into balance -- an approach based on answers to these questions:

* What permanent budget reductions should be considered?

* How can tax revenues be made more stable to avoid the boom-and-bust cycle?

* What revenues can be raised that will not negatively affect the economy in a significant way?

* Can we identify one-time revenues and dedicate them for one-time purposes or to a budget reserve fund?

Making real changes won't be easy. But the easy choices have been exhausted. The easy choices put the problem off. And let's face it, the easy choices left us where we are today, $10 billion in the hole.